


Executive Director's
Report

E-0007950

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Memorandum

Date: January 11, 2000
To: CALFED Policy Group
From: Steven R. Ritchie
Acting Executive Director 
Subject: Executive Director's Report

The purpose of this Executive Director's report is to brief the Policy Group on recent activities in the CALFED Program. This report focuses on aspects of the Program that are not scheduled for discussion at the Policy Group meeting on January 19, 2000.

Recent Developments

On January 10, Governor Gray Davis released his proposal for the FY 2000-2001 state budget. The budget proposal includes \$136.1 million in specific proposals for CALFED funding in the coming year in the following program areas:

- 1) \$51.5 million from Proposition 204 for Bay-Delta ecosystem restoration projects.
- 2) \$18.2 million to monitor fish populations—particularly threatened or endangered salmon and steelhead.
- 3) \$54.0 million for CALFED support and ecosystem restoration (\$34.0 million) and to investigate water storage solutions and options (\$20.0 million). This last amount (\$10 million continuing) is to continue the third year of the seven-year effort Integrated Storage Investigations (ISI) effort.
- 4) \$10.0 million to assist public water agencies mitigate the impact of water shortages. This amount from the General Fund would match federal funds to acquire water options and stabilize water supplies south of the Delta. Funds would be allocated to public water agencies located in the Delta export service areas for the purpose of implementing water management and water transfer programs to mitigate water shortages and maintain water quality.
- 5) \$2.4 million for water quality activities.

Recent Program Activities

1) Ecosystem Restoration Program

CALFED's Ecosystem Restoration Program is currently developing its FY 2001 Implementation Plan, which is the foundation of the annual ecosystem restoration implementation process. Annual implementation plans are developed using the goals and programmatic actions contained in the Ecosystem Restoration Program Plan and Strategic

CALFED Agencies

California The Resources Agency
Department of Fish and Game
Department of Water Resources
California Environmental Protection Agency
State Water Resources Control Board
Department of Food and Agriculture

Federal Environmental Protection Agency
Department of the Interior
Fish and Wildlife Service
Bureau of Reclamation
U.S. Geological Survey
Bureau of Land Management
U.S. Army Corps of Engineers

Department of Agriculture
Natural Resources Conservation Service
U.S. Forest Service
Department of Commerce
National Marine Fisheries Service
Western Area Power Administration

Plan, along with extensive input from CALFED agencies and members of the public. The FY 2001 Implementation Plan will provide the basis for project selection in the upcoming Proposal Solicitation Package expected to be released on March 1, 2000.

CALFED recently convened an Interim Science Board to provide scientific advice and guidance to the ERP. This board is comprised of twelve academic scientists representing a broad array of appropriate expertise. The Board's initial task will be to provide recommendations on the FY 20001 Implementation Plan. The Interim Board held its first meeting last week on Thursday, January 6th. The following is a list of current Science Board members.

Name	Expertise
Dr. Paul Angermeir Virginia Tech, 97 Panel	Fish Biology
Dr. Ken Cummins CSUH, 97 Panel	Riverine Ecology Entomology, South Florida Water Mgmt Dist., (Project Implementation)
Dr. Peter Moyle UCD, Core Team	Fish Biology (Delta Native Fishes) Invasive Fish Species
Dr. Michael Healey Unv. British Columbia, Core Team	Fish Biology (Salmonids), Landscape Ecology
Dr. Matt Kondolf UCB, Core Team	Fluvial Geomorphology, Hydrology, Watershed Processes
Dr. Tom Dunne (Mid-February), UCSB, 97 Panel	Fluvial Geomorphology, Hydrology
Dr. Wim Kimmer CSUSF, Core Team	Estuarine Ecology, Aquatic Invasive Species
Dr. Dennis Murphy Unv. Nevada, 97 Panel	Terrestrial Ecology, Conservation Biology, Watershed Processes
Dr. Robert Spies Chief Scientist Exxon Valdez Trust	Aquatic Toxicology/Contaminants
Dr. Robert Twiss UCB, Core Team	Regional/Environmental Planning, Watershed Processes
Dr. Duncan Patten Montana State University	Riparian Habitat, Plant Ecology, Glen Canyon Environmental Studies (project implementation) Riparian Invasive Species
To be appointed	Wetlands Specialist/Estuarine Physical Processes
To be appointed	Resource Economist

In addition to the Science Board, CALFED is forming an Agency/Stakeholder Ecosystem Scientist Team to work with the Science Board and CALFED staff on the Implementation Plan and other activities.

The draft Implementation Plan will be taken to the public and the Ecosystem Roundtable at a workshop on February 9, 2000 for review and comment. BDAC will be asked to concur with the recommendations of the Roundtable. The Implementation Plan will then be forwarded to the CALFED Policy Group for approval at the February 23rd meeting.

2) CALFED Drinking Water Quality Program

The newly formed Delta Drinking Water Council met on December 16, 1999. The Council held their first discussion on CALFED's drinking water quality targets and proposed interim milestones for public health protection and water management

Issue papers were prepared and provided to Council members on the following subjects:

- a) Treatment technologies
- b) Health effects research
- c) Regulatory developments
- d) Monitoring and assessment
- e) Regional water exchanges for drinking water quality
- f) Source control
- g) Storage, operations and conveyance

These issue papers provide a vehicle for Council members to discuss and develop recommendations related to CALFED's Drinking Water Quality Improvement Strategy in future meetings.

CALFED staff also presented CALFED's proposed FY 2000 early implementation actions for drinking water quality. The Council members concurred with the list of actions and level of funding.

3) CALFED Long-term Governance

At the December 15 Policy Group meeting, CALFED staff distributed the CALFED Proposal for Long-term Governance and an updated version of the accompanying Principles of Governance that had been revised based on comments from the Bay-Delta Advisory Council. The Policy Group discussed the Principles and raised some concerns.

The Policy Group directed CALFED staff to continue to develop a Proposal that embodies the Principles while resolving the Policy Group's concerns. CALFED staff is continuing to revise the CALFED Long-term Governance Principles and Proposal based on additional comments received from CALFED agencies over the past several weeks.

The Long-term CALFED Governance Proposal calls for the establishment of a new joint State-Federal CALFED Commission. The Commission would be responsible for directing and managing the CALFED Program to ensure program balance and integration, although individual program management could be delegated to existing or new entities as appropriate. Over the next month CALFED staff will be focusing on resolving the issues of

delegation-what agencies should be delegated what program responsibilities-and funding authority-which existing or new funds should be under the authority of the new Commission.

4) Water Use Efficiency

During December and early January, the Water Use Efficiency (WUE) team facilitated review of the 250 region-specific agricultural Targeted Benefits by independent scientists and engineers. These Targeted Benefits represent specific objectives from the CALFED Ecosystem Restoration, Water Quality, and Water Management plans and are the foundation of Quantifiable Objectives. Work also progressed on development of regional water balances as part of the flow path analysis, also a component of developing Quantifiable Objectives.

Staff began discussions with agency representatives to determine appropriate WUE pilot projects. Discussions were also initiated with representatives of the California Urban Water Conservation Council and the Agricultural Water Management Council to develop cooperative agreements that will facilitate CALFED funding support.

5) South Delta Improvements Program

Over the past month the Federal-State Management Group has been considering expansion of the proposed set of actions in the South Delta to improve water quality and stabilize water supply for South Delta users while restoring the aquatic ecosystem. Based on recommendations from the South Delta Improvements Team, at its January 11th meeting the Management Group agreed to recommend a broader study of solutions now including expanded channel dredging and consolidation of agricultural intakes. (Please refer to the text of the Preferred Program Alternative here in your packet for the complete South Delta proposal.)

6) Water Transfer Program

A kick-off meeting was held in late December to begin officially developing the water transfer information web-site (dubbed ONTAP). CALFED staff and agency representatives have also begun informal discussions with stakeholders as the first step to forming a "user" group. An official user group will be established soon with representatives from a broad array of stakeholders who are potential users of the web-site.

7) Watershed Program

The Watershed Program is nearing completion of work to identify and adopt a set of specific near-term priorities for initial implementation of the program. Work is also nearing completion on the design and adoption of a reliable process for making funding decisions during implementation. CALFED staff is receiving ongoing input and assistance in these efforts from the Interagency Watershed Advisory Team and the BDAC Watershed Program Work Group.

8) Levees Program

a) North Delta Regional Plan

CALFED staff is preparing an Implementation Plan for the North Delta Stage Ia actions. As part of the Plan, CALFED is forming a task force of regulatory staff to assist CALFED staff

in project formulation. This is the first set of the Permit Coordination Process, which is intended to minimize environmental impacts and maximize multiple project benefits.

b) Suisun Marsh Investigation

The Suisun Marsh Investigation group is currently analyzing DWR modeling results in terms of their relationship to achieving CALFED goals in the Marsh. A report is due for completion in February 2000.

The group is also preparing an outreach effort to Suisun Marsh landowners with the assistance of the Suisun Resource Conservation District. This effort will begin in February 2000.

9) **Water Management Strategy/Integrated Storage Investigation**

Several reports on components of the Integrated Storage Investigation effort have been released in recent weeks. They include the following:

- Initial Surface Water Storage Screening, December 22, 1999
- Conjunctive Use Site Assessment, December 23, 1999
- Hydroelectric Facility Reoperation Investigation, December 22, 1999
- Flow Regime Requirements for Habitat Restoration along the Sacramento River between Colusa and Red Bluff, December 20, 1999
- Drinking Water Quality Operations Studies, December 14, 1999
- Export Operations Flexibility Analysis, December 23, 1999
- Water Management Strategy Evaluation Framework, December 1999